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April 10, 2020

The Honorable Sonny Perdue
Secretary
United States Department of Agriculture
1400 Independence Avenue, SW
Washington, DC 20250

Dear Secretary Perdue:

Thank you for continuing to support our farmers and agri-businesses as we fight the COVID-19 pandemic together.

As we discussed during yesterday's conference call, the U.S. Department of Agriculture's (USDA) role in implementing the recently enacted COVID-19 relief package is critical to the survival of our nation's food producers and the threat faced by our agriculture industry.

Thank you for pledging to consider my proposal to address market volatility affecting our livestock producers. I believe adjusting coverage of USDA's Livestock Risk Protection Plan (LRP) to pork and cattle producers would be an effective and fair solution to mitigating market losses resulting from the economic pause associated with COVID-19.

Roughly 50 percent of Americans' food is consumed outside the home. As governors around the nation issue stay-at-home orders and most restaurants are closed or open only for takeout, demand for fine cuts of pork and beef has been reduced dramatically.

In a matter of just weeks, livestock markets have fallen through the floor. Since March 25th, the price per hog has dropped \$42, reflecting the lowest hog futures since 2002. Many pork producers are losing as much as \$50 a head. Hog and cattle farmers are on the brink, and we must keep in mind, it is through no fault of their own.

After conferring with First District family farmers, we recommend making adjustments to the current LRP to set new temporary reference pricings on livestock to combat current market volatility. Adjusting current livestock reference prices as producers sell into this artificially depressed market would provide a short-term lifeline to American farmers dealing with the effects of the coronavirus.

Our farmers and agri-businesses are doing an incredible job ensuring our nation's food supply and security. We must now do our part to help livestock producers bridge the gap.

Sincerely,



Jim Hagedorn
Member of Congress